Venezuela, and that any Treaty existing between the two countries has been thereby abrogated, it shall be recorded in an exchange of notes between the Undersigned that the Convention between Great Britain and Venezuela of the 29th October, 1834, which adopted and confirmed, *mutatis mutandis*, the Treaty of the 18th April, 1825, between Great Britain and the State of Colombia, shall be deemed to be renewed and confirmed, or provisionally renewed and confirmed, pending the conclusion of a new Treaty of Amity and Commerce.

ARTICLE VIII.

Immediately upon the signature of this Protocol arrangements will be made by His Majesty's Government, in concert with the Governments of Germany and Italy, to raise the blockade of the Venezuelan ports.

His Majesty's Government will be prepared to restore the vessels of the Venezuelan navy which have been seized, and further to release any other vessels captured under the Venezuelan flag, on receipt of a guarantee from the Venezuelan Government that they will hold His Majesty's Government indemnified in respect of any proceedings which might be taken against them by the owners of such ships or of goods on board them.

ARTICLE IX.

The Treaty of Amity and Commerce of the 29th October, 1834, having been confirmed in accordance with the terms of Article VII of this Protocol, His Majesty's Government will be happy to renew diplomatic relations with the Government of Venezuela.

No. 266.

The Marquess of Lansdowne to Sir M. Herbert.

(Telegraphic.) *Foreign Office, February* 5, 1903.

WITH reference to your telegram of the 5th instant, you were authorized to negotiate with Mr. Bowen only on the basis that the first-rank claims of Great Britain and Germany, amounting to about 72,000*l.*, should be excluded from arbitration and settled immediately.

President Castro has formally agreed to this arrangement.

We are now, as I understand, asked to accept, in satisfaction of the first-rank claims, about 53,000*l.*, which sum would be receivable some months hence, while, as regards our other claims, we should have to take our chance with other Powers in a common settlement.

This offer is one which we consider it unadvisable to accept, and we should prefer to adhere to the procedure described in my telegram of the 2nd instant. You should explain this to your colleagues.

No. 267.

Sir M. Herbert to the Marquess of Lansdowne.—(Received February 6.)

(Telegraphic.) *Washington, February* 6, 1903.

IN accordance with the instructions contained in your Lordship's telegram of the 4th instant, I to-day made a communication to Mr. Hay: my colleagues were present. Mr. Hay promised to let me have an answer as soon as possible after consulting the President.

No. 268.

The Marquess of Lansdowne to Sir F. Lascelles.

(Extract.) *Foreign Office, February* 6, 1903.

COUNT METTERNICH being indisposed, Count Bernstorff called at this Office on behalf of his Excellency, and informed me that the German Government considered

quite inadmissible the proposal put forward by Mr. Bowen, that the three Powers should accept the total of 30 per cent. of the Venezuelan customs for three months in satisfaction of their first-rank claims, and had instructed Baron Sternburg to join Sir M. Herbert in refusing it.

No. 269.

Sir M. Herbert to the Marquess of Lansdowne.—(*Received February* 7.)

(Telegraphic.) *Washington, February* 7, 1903.

WITH reference to my telegram of yesterday, I have to report that this morning I received a note from the Secretary of State, asking whether, if it were finally decided to refer the question of preferential treatment to the Hague, the blockade would come to an end when the Protocol embodying the terms of reference was signed.

Subsequently Mr. Hay called at this Embassy for a reply, and I informed him, having consulted my colleagues previously, that I assumed this would be the case.

Mr. Hay then dictated to me the following statement:—

"The President is extremely anxious to be of all possible service in the amicable settlement of pending questions, but he sees no reason to change his views hitherto expressed that a reference to the Hague of the question referred to would be in many respects a more judicious and satisfactory conclusion of the matter than for him to accept the invitation of the Powers, the honour and compliment of which he fully appreciates, and for which he is deeply grateful."

Please telegraph at once whether I am right in assuming that I should now submit draft Protocol immediately to Mr. Bowen.

No. 270.

The Marquess of Lansdowne to Sir M. Herbert.

(Telegraphic.) *Foreign Office, February* 7, 1903.

THE President's inability to adjudicate is regretted by His Majesty's Government. Their intentions with regard to the cessation of the blockade are correctly expressed by your language.

I should wish you now to submit to Mr. Bowen the draft Protocol.

No. 271.

Sir M. Herbert to the Marquess of Lansdowne.—(*Received February* 14.)

(Telegraphic.) *Washington, February* 13, 1903.

THE three Protocols were signed at half-past 11 to-night.

No. 272.

The Marquess of Lansdowne to Sir M. Herbert.

(Telegraphic.) *Foreign Office, February* 14, 1903.

ORDERS have been issued to raise the blockade.

Digitized with financial assistance from

Shri Brihad Bhartiya Samaj

on 31 October, 2019

BRITISH NEW GUINEA.

CORRESPONDENCE

RELATING TO AN

AGREEMENT BETWEEN THE GOVERNMENT OF BRITISH NEW GUINEA

AND THE

BRITISH NEW GUINEA SYNDICATE.

Presented to both Houses of Parliament by Command of Her Majesty.
July, 1898.

Bx. 2/3

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3	To Sir Hugh Nelson ...	May 28 Extract.	Transmits copies of Nos. 1 and 2 and asks for his views.	4
4	Sir Hugh Nelson ...	July 8 Extract.	Observes that he is not disposed to regard in an unfavourable light the proposals of the Syndicate but that the approval of the Lieutenant-Governor is imperatively necessary, and he has therefore advised the promoters to send a representative to New Guinea to explain matters to Sir Wm. MacGregor.	4
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6	To John Lowles, Esq., M.P.	Aug. 9.	Observes that the Secretary of State could not agree to the articles in the basis of arrangement which propose to limit the powers of the Government in respect of taxation, and to confer legislative powers upon the Syndicate, and asks for the names of the gentlemen and associations interested in the scheme.	5
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Serial No.	From or to whom.	Date.	Subject.	Page.
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Serial No.	From or to whom.	Date.	Subject.	Page.
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37	The Agent-General for New South Wales.	June 1.	Transmits copy of a telegram from his Government stating the grounds of their objection to the Ordinance.	28
38	The Agent-General for Victoria.	June 3.	Reports the receipt of a telegram from his Government to the effect that the Syndicate Agreement was not discussed at the meeting of the Premiers and Sir Wm. MacGregor.	29
39	Governor Lord Lamington (Queensland).	(Rec. June 8.) Telegram.	Reports that Mr. Lowles has telegraphed that the Ordinance has been approved by the Secretary of State; it was understood that an opportunity would be afforded of discussing the amendments; Sir Hugh Nelson states that the subject was never discussed at the meeting of Premiers.	29
40	To the Agents-General for Victoria and New South Wales.	June 8.	States that the matter is one for their respective Governments to settle with the Government of Queensland.	30
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42	To Governor Lord Lamington (Queensland).	June 13 Telegram.	Informs him that the amendments to the Ordinance are in favour of the Government, and would not justify repudiation of the contract.	30
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Serial No.	From or to whom.	Date.	Subject.	Page.
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BRITISH NEW GUINEA.

CORRESPONDENCE

RELATING TO AN

AGREEMENT BETWEEN THE GOVERNMENT OF BRITISH NEW GUINEA

AND THE

BRITISH NEW GUINEA SYNDICATE.

No. 1.

JOHN LOWLES, Esq., M.P., to COLONIAL OFFICE.

(Received May 18, 1897.)

SIR, House of Commons, May 17, 1897.

I HAVE the honour, on behalf of the parties interested in the matters referred to in the enclosed papers, to ask your favourable consideration of the proposals therein contained.

I may state for your information that Sir Charles Malcolm Kennedy (late of the Commercial Department of the Foreign Office), Sir Somers Vine, and I are authorised to represent the parties concerned, and to approach you in reference thereto.

The members of the Syndicate already admitted include individuals of high standing and thorough respectability in commercial and trading circles.

You are probably aware that in one direction of the proposed operations, viz., the rubber tree industry, an exceptionally large demand, with every probability of vast extension, has been manifested in the manufacturing districts of this country, particularly in the midlands.

It is the feeling of those on whose behalf I now address you that the known and admitted suitability of British New Guinea for the growth and development of this important product alone justifies their anticipations and wishes in proposing to expend capital within the confines of the territory wholly under the British Crown and intimately connected with British Imperial and Colonial administration.

I venture to express the hope that the enclosed papers will satisfy you that a strictly honest and businesslike institution of a comparatively new channel for British trade and commerce is contemplated.

Practically, the proposals now submitted do not differ from the facilities at present given for the acquisition of land in British New Guinea by the Administration, except in spreading the time of payment over a limited period, viz., eight years, but with this important consideration, in addition: that a specified sum of money is necessarily to be expended during that period in actual development work.

I have had the pleasure, in company with Sir Chas. M. Kennedy and Sir Somers Vine, of personally explaining the intentions and objects of the Syndicate to Sir John Bramston (Permanent Under-Secretary of State for the Colonies) within the past few days.

The agent engaged by those interested is Sir Somers Vine, whose recognised powers of organisation and personal acquaintance with the whole of the Australasian Colonies render him peculiarly fitted for discharging the duties proposed to be entrusted to him by those with whom I am associated in this matter.

May I ask you to be good enough to commend the agent of the Syndicate to the consideration of the local Administration and the Colonial Governments concerned in his conferences with them, on behalf of the Syndicate?

I have, &c.,
JOHN LOWLES,
(Haggerston.)

Enclosure 1 in No. 1.

MEMORANDUM prepared by Sir J. R. Somers Vine (late Assistant Secretary of the Imperial Institute), Sir Chas. Malcolm Kennedy (late of the Commercial Department of the Foreign Office), and Mr. John Lowles, M.P.

THE BRITISH NEW GUINEA SYNDICATE.

This Syndicate is established with a capital of £5,000 (registered under the Limited Liability Acts) by three commercial and financial associations in the City of London and several merchants, traders, and others, for the purpose of effecting preliminary arrangements justifying the formation of a company with ample capital (which would be available and at command if the Syndicate is enabled to obtain the reasonable options and privileges it has in view), having for its object the systematic institution and development of general commercial and trading operations in British New Guinea.

The Syndicate propose to send out a qualified agent to negotiate with the local administrative authorities of British New Guinea for the taking-up—with the friendly concurrence and assistance of the Administration and the Colonial Office and other authorities concerned—of tracts of land suitable for the operations of the company proposed to be formed. It is desired, in the first instance, to secure a lease of the lands direct from the Administration and from the natives (in the latter instance where such a course would be needful or desirable) by a nominal payment for a limited period to be defined. Before the expiration of that period, and subject to active measures being taken, it is further desired to obtain the confirmation of the lease of the lands temporarily assigned for an extended beneficial period or in perpetuity so long as certain payments are made to the Government and other parties with rights of ownership at a rate to be agreed upon.

The temporary assignment of the lands to the Syndicate for a nominal payment would come to an end if active operations of the working and development company were not commenced within the period to be reasonably defined.

One of the principal methods of development contemplated is the laying-out of "rubber tree" and other plantations (strongly recommended by competent authorities, amongst others Mr. H. O. Forbes, one of the pioneers of New Guinea exploration, as an almost certain remunerative speculation) whereby the administrative authorities will secure the easy improvement of the country, which is essential to its welfare and that of its inhabitants.

It is, however, desired to include any and every product which the lands to be leased may offer for the operations of the company, and to introduce to the country manufactured articles from the United Kingdom and the adjacent Colonies.

It is particularly contemplated to employ existing agencies—so far as they can be usefully and properly engaged—such as recognised mission and other establishments, shipping firms, and respectable individuals who know the country and the natives, and can be depended upon to legitimately promote the details of development.

The organisation of native labour under instructed and intelligent control would be an important consideration.

The co-operation of firms, agencies, and persons of good standing, and already carrying on trade in and with the country would be sought, and, if possible, secured.

The concurrence of the Colonial Governments interested in the subsidies now paid in connection with the territory would be sought and secured, so far as it could be reasonably and properly accorded.

It is hoped that the Colonial Office will testify its sympathy by recommending the agent of the Syndicate to the friendly consideration of the local Administration and the Colonial Governments directly concerned in respect of the negotiations and temporary agreements he would be authorised to enter upon. The paramount wish of the parties to the Syndicate is that their ultimate operations should be carried on under the complete supervision of the local authorities and to the full approval of the Imperial and Colonial authorities.

The parties interested believe that the time is now ripe and promising for the prudent investment of capital in an entirely British possession, which at this moment is practically untouched by organised methods, whilst it is rich in natural resources—believed to be capable of profitable development and extension—within easy reach of regular communication and practicable transport between the United Kingdom and several important neighbouring colonies.

As far back as the year 1886 it was stated that the German New Guinea Company had been most fortunate in its operations (vide statements of Dr. Knappe, formerly German Consul at Samoa), and that the exercise of its privileges would be of enormous value in the future.

The report of the late Sir Peter Scratchley (presented to the Victorian Parliament in 1886) accurately describes the aims and hopes of all interested in the present venture. Sir Peter Scratchley desired the formation of a trading company on a basis somewhat similar to the British North Borneo Company, and he recommended that some portion of the territory (estimated at more than 85,000 square miles) should be handed over to a company for administrative and commercial purposes. The question of administration other than that absolutely connected with the commercial and trading operations of the Company as a Company would, however, perhaps—and it would be the desire of the parties to the Syndicate that it should be so—be best left to the sole responsibility of the Government-appointed officials.

Enclosure 2 in No. 1.

THE BRITISH NEW GUINEA SYNDICATE.

The following is a basis of the arrangement which it is suggested to be proposed to the Administration:—

(1) The granting of a Government Ordinance, giving the Syndicate the right to take up (say) 250,000 acres of suitable lands, not yet appropriated, for a period of one year (from Jan. 1st, 1898, to Dec. 31st, 1898) by a cash payment of £1,000, payable in four quarterly instalments, and to continue the same thereafter to the Syndicate, its successors and assigns, until a sum of £30,000 in all shall have been paid (at any time within eight years from the date of the granting of the Ordinance) when the Syndicate, its successors and assigns, are to be confirmed in the freehold of the lands and all their products subject to paying a special tax of two-and-a-half per cent. on the nett export value of all products taken out of the country from the lands occupied.

(2) The Syndicate, its successors and assigns, to be required, as a condition of the continuance of the option before referred to, after the 31st of December, 1899, to submit proof of an expenditure of not less than £10,000 within that period (or rather two years from the date of the Ordinance) on the institution of actual trade operations, and in like manner to submit proof that at the end of eight years from the date of the granting of the Ordinance the sum of £30,000 on trade operations and works of development in the country.

(3) During the period of eight years from the date of the Ordinance the Administration to undertake not to increase the export duties and import duties as now imposed, so far as regards the operations of the Syndicate, its successors or assigns.

(4) The Syndicate, its successors and assigns, to be accorded such powers of primary administration as distinct from its purely business direction as the local Administration and the Colonial Office may agree in respect only of the lands, &c., assigned.

(5) Subject to the foregoing limitations, the Syndicate, its successors and assigns, to be granted, as far as may be reasonably possible, the powers and privileges which distinguish the British North Borneo Company.

(6) The Syndicate, its successors and assigns, to be free to take up further lands (over and beyond the 250,000 acres first conceded) as may be mutually agreed with the local Administration and the Colonial Office.

No. 2.

COLONIAL OFFICE to JOHN LOWLES, ESQ., M.P.

SIR, Downing Street, May 28, 1897.

I AM directed by Mr. Secretary Chamberlain to acknowledge the receipt of your letter of the 17th inst.* submitting the proposals of the "British New Guinea Syndi-

* No. 1.

cate," and requesting that their agent may be furnished with a letter of introduction to the Queensland authorities.

I am to inform you that the control of the Administration of British New Guinea is, subject of course to the Secretary of State for the Colonies, vested in the Government of Queensland, which acts on behalf of the other colonies, viz., Victoria and New South Wales, which contribute to the expenses of such Administration.

Mr. Chamberlain is of opinion that before the Syndicate send any representative to Queensland their proposals should be discussed by you and your colleagues with the Premier of the Colony, who, as you are aware, is now in this country, and to whom a copy of your letter has been sent.

I am, &c.,
JOHN BRAMSTON.

No. 3.

COLONIAL OFFICE to SIR HUGH NELSON.

(Extract.)

Downing Street, May 28, 1897.

I am directed by Mr. Secretary Chamberlain to transmit to you for your consideration a copy of a letter* from Mr. J. Lowles, M.P., submitting a memorandum of the aims and proposals of the "British New Guinea Syndicate," described as being established for the purpose of effecting preliminary arrangements justifying the formation of a Company having for its object the systematic institution and development of general commercial and trading operations in that Colony.

I am to enclose copy of the reply† which has been returned to Mr. Lowles, and to state that Mr. Chamberlain will be glad to be favoured with the expression of your views on the subject of these proposals.

No. 4.

SIR HUGH NELSON to COLONIAL OFFICE.

(Received July 9, 1897.)

(Extract.)

Queensland Government Office,
Westminster Chambers, 1, Victoria Street, London, S.W.,
July 8, 1897.

I HAVE the honour to acknowledge the receipt of your letter dated 28th May last‡ with which you transmit, by direction of the Right Honourable the Secretary of State for the Colonies, for my consideration, a copy of a letter from Mr. J. Lowles, M.P., submitting a memorandum of the aims and proposals of the British New Guinea Syndicate, together with a copy of the reply which has been returned to Mr. Lowles, and request me to furnish Mr. Chamberlain with an expression of my views on the subject of the proposed formation of a Company having for its object the systematic institution and development of general commercial and trading operations in the Possession of British New Guinea.

Since the receipt of your letter under reply I have had the advantage of personal interviews with the promoters of the Syndicate referred to, and I have given careful consideration to their proposals. Although considerable progress has been made since the declaration of Sovereignty over British New Guinea in the development of the country, especially from an administrative standpoint, it will, I think, be generally admitted that it is extremely desirable that the development should proceed more rapidly. The distinguished services rendered by Sir William MacGregor in establishing order and good government among the natives, and in exploring the interior of the country are, I feel convinced, too well known to the Secretary of State to require mention here, but it would be manifestly difficult for the Lieutenant-Governor, whose time and energies are fully occupied with his arduous administrative duties, to do more for the expansion of agricultural, commercial, and industrial enterprise in the territory than he has already done. It appears to me that few better means for assisting this expansion could be devised than the formation of a company on the lines now suggested, and I am not disposed to regard in an unfavourable light the proposals which

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* No. 1. † No. 2. ‡ No. 3.

have been submitted. But it must be borne in mind that the enterprise would be attended with many and grave difficulties, some of which, such as the labour question and the popular aversion existing in the contributing colonies to syndicates in general, I have forcibly brought under the notice of the promoters. Much would, however, doubtless depend upon the character and experience of the Directors appointed to locally control the Company's affairs. In any case it is imperative that, before any further steps are taken in the matter, the approval and support of Sir William MacGregor should be obtained. I have accordingly advised the promoters of the enterprise to depute an agent or agents to visit the possession and to lay the proposals before the Lieutenant-Governor. If the Secretary of State is satisfied of the *bona fides* of the company proposed to be formed, and of its financial soundness, I see no objection to his furnishing the gentleman so appointed with letters accrediting him to Sir William MacGregor. I have assured the members of the Syndicate that if the Lieutenant-Governor is favourably impressed with their ideas, the Government of Queensland will give the most careful consideration to the whole project and will consult with the Governments of the other contributing colonies with a view to submitting some definite recommendation to the Imperial authorities.

No. 5.

JOHN LOWLES, Esq., M.P., to COLONIAL OFFICE.

(Received July 16, 1897.)

SIR, House of Commons, London, S.W., July 15, 1897.

REFERRING to my previous correspondence with you and our meeting in respect of the proposed operations of the British New Guinea Syndicate, I now beg to state that, acting in accordance with the suggestion you were good enough to make, I have had several interviews with the Premier of Queensland and the Attorney-General of that Colony in respect of those proposed operations.

I am glad to be able to inform the Secretary of State for the Colonies, through you, that the Premier of Queensland has expressed to me, and through me the corporations and gentlemen interested in the enterprise, his approval of the general principles of the suggested negotiations with the Administrator of British New Guinea. In stating this approval, Sir Hugh Nelson has pointed out that the Colonial Office alone can properly request the Administrator to consider and advise on the proposals to be submitted by the agent of the Syndicate, although he (Sir Hugh), on behalf of his Government, is willing to afford such countenance and assistance as he can properly and reasonably extend in the matter.

I understand from Sir Hugh Nelson that he has conveyed to you, in effect, the result I have now described.

I have to express the hope that the Secretary of State will be pleased to supply our agent, Sir Somers Vine, with a formal letter of introduction to the Administrator, and to ask that officer to give his best consideration to the proposals it is desired to submit to him. Sir Hugh Nelson has suggested that it might be possible and advisable to arrange a meeting with the Administrator at Brisbane in the course of October next.

I, and some of the other gentlemen interested in the scheme, are quite prepared to wait on the Secretary of State, should he be pleased to wish to see us.

I have, &c.,
JOHN LOWLES.

Sir John Bramston, K.C.M.G., C.B.,
Under Secretary,
Colonial Office, S.W.

No. 6.

COLONIAL OFFICE to JOHN LOWLES, Esq., M.P.

SIR, Downing Street, August 9, 1897.

IN reply to your letters of the 17th of May and the 15th of July,* I am directed by Mr. Secretary Chamberlain to acquaint you that he has been in communication with

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* Nos. 1 and 5.

the Prime Minister of Queensland on the subject of the proposals of the British New Guinea Syndicate.

Mr. Chamberlain is, of course, anxious to assist, as far as he properly can, any scheme for furthering the development of British New Guinea, and the Queensland Government are animated with the same desire.

The details of any arrangement between the Syndicate and the local Administration must, of course, be discussed and settled with the Lieutenant-Governor, and the Government of Queensland, subject to the approval of the Secretary of State, but Mr. Chamberlain desires me to state at once that he could not approve of any arrangement comprehending the sections numbered 3, 4, and 5 in the basis of arrangement enclosed in your letter of the 17th of May,* having the effect of limiting the powers of the Government in respect of taxation and of conferring administrative or legislative powers on the Syndicate or its assigns.

I am to enclose an extract from a letter of Sir Hugh Nelson† [from "But it must be borne in mind" to "accrediting him to Sir Wm. McGregor"]. I am, therefore, to ask that Mr. Chamberlain may be furnished with the names of the Associations and gentlemen referred to in the opening paragraph of the memorandum enclosed in your letter of May 17*.

I am, &c.,
EDWARD WINGFIELD.

No. 7.

JOHN LOWLES, Esq., M.P., to COLONIAL OFFICE.

(Received August 16, 1897.)

Ingram House, 165, Fenchurch Street, London, E.C.,
August 14, 1897.

SIR,

I BEG to acknowledge the receipt of your letter of the 9th inst.‡

I have already heard from the Prime Minister of Queensland, with whom I and Sir Somers Vine have had several interviews, that he has been in communication with the Secretary of State, and is, like Mr. Chamberlain, anxious, as far as he properly can, to assist any scheme for the development of British New Guinea and its resources.

The British New Guinea Syndicate has, from the first, recognised that the details of any arrangement must be settled in the manner described in your letter, and it was with that object the subscribers invited Sir Somers Vine, who is personally acquainted with the Queensland Ministers and the Administrator of British New Guinea, to conduct the negotiations on their behalf. It has been the anxious desire of the Syndicate to hold itself clear of all Governmental responsibilities as distinct from purely commercial and trading operations, and they consequently accept, without question, the non-approval of the Secretary of State of any arrangement comprehending sections 4 and 5 in the basis of arrangement enclosed in my letter of the 17th of May last.* With respect to section 3 they, with equal readiness, accept the non-approval of the Secretary of State thereto so long as it is clearly understood that the preliminary operations of any organised development are not totally crippled by the imposition of duties and charges which would preclude the reasonable possibility of the institutions and individuals who are ready to provide the necessary capital securing a legitimate and moderate return for their speculation and investments.

I am prepared to say on behalf of the Syndicate at once that the contributing colonies shall have the power, under any form they may suggest, of approving or disapproving of the Directors or others who may be appointed to locally control the Company's affairs, so long as such action is reasonably exercised, as we assume it would be, in perfect good faith and intention.

Sir Hugh Nelson's advice to us to depute an agent or agents to visit the possession, and to lay the proposals before the Lieutenant-Governor, has been given prompt effect to by Sir Somers Vine being authorised to proceed to Australia and New Guinea, and empowered to negotiate and conclude, subject to the approval of both sides, a reasonable and businesslike arrangement. His letter of instructions, drafted by Sir Charles Kennedy, approved by the Board of the Syndicate, and concurred in by Sir Somers Vine, is at the service of the Secretary of State, and a copy shall be forwarded to you,

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* No. 1. † No. 4. ‡ No. 6.

if you are of opinion that the Secretary of State would like to be cognisant of its contents. I may mention here that, with the full approval of the Syndicate, I have consented to co-operate with Sir Somers Vine on the spot, in the discharge of the duties entrusted to him, and leave for Australia, in company with Sir Hugh Nelson, on Saturday next, the 21st inst., via Cape Colony and Hobart.

Sir Somers Vine leaves on Friday, the 27th inst., by way of Brindisi and the Royal Mail route. I have communicated with him, and he is quite prepared to hold himself at the convenience of the Secretary of State for the Colonies on any day prior to his departure, should his attendance at the Colonial Office be desired.

The Syndicate with much pleasure comply with the very proper request of the Secretary of State, as expressed in the last paragraph of your letter.

The Syndicate at this moment comprises the following corporations and individuals:—

(1.) The British Empire Finance Corporation, Ltd., whose Directors are:—
- Hon. Sir Charles Tupper, Bart., G.C.M.G., C.B., M.P. Ottawa, (late Prime Minister and Ex-High Commissioner for Canada).
- Hon. Richard C. Grosvenor, Director, General Life Assurance Company, Ltd.
- W. D. Cairney, C.A., Director, Scottish Alliance Insurance Company, Ltd.
- John Fergusson (Messrs. Ramage and Fergusson, Ltd., Shipbuilders, Leith), Chairman, Octagon Explorers, Ltd.
- John Lowles, M.P., Director, New Goldfields of British Columbia, Ltd.
- James McKillop, M.P., Director, James Nimmo and Co., Ltd., Coalmasters, Glasgow.
- R. J. Price, M.P., Director, Rhodesia, Ltd.
- Arthur Williamson, Director, London and Foreign Contract Corporation, Ltd.

(2.) The New Goldfields of British Columbia, Ltd., whose Directors are:—
- Hon. Sir Charles Tupper, Bart., G.C.M.G., C.B., M.P., late Prime Minister and ex-High Commissioner for Canada, Ottawa, Chairman.
- John Lowles, M.P., Ingram House, Fenchurch Street, E.C.
- Sir Charles Malcolm Kennedy, K.C.M.G., C.B., Exmouth.
- G. Brooke Mee (Messrs. Mee, Billing and Co.), 23, Leadenhall Street, E.C.
- F. E. Harman, F.G.S., M.I.M. and M., F.C.S., 55, West Cromwell Road, S.W.
- C. Ashworth, Esq., late London Manager of the Bank of Montreal, 50, Cranley Gardens, S.W.

(3.) The European and Colonial Investment Syndicate, Ltd., whose Directors are:—
- W. H. Durrant (of the firm of Goode and Durrant, Australian Merchants).
- John Crowle, Chairman of Slaters, Ltd.
- R. G. Schwartz, Chairman of the Excelsior Tobacco, &c., Company.
- Sir Somers Vine, C.M.G.
- George Wright, J.P., Managing Director of the East Acton Estate Company.
- Tilden Smith, Colliery Engineer (son-in-law of Mr. Gillies, M.P., of New South Wales).

(4.) The following private subscribers:—
- John Crowle, of Kensington High Street.
- F. H. and J. W. Butler, of 155, Regent Street, the well-known Wine Merchants.
- W. H. Bailey, of Oakley Square, General Manager of Bass and Company.
- James McKillop, M.P., of Stirlingshire.
- Albert H. Williams, Esq., of John Street, W.C., Solicitor.
- Morison and Marshall, of Winchester House, E.C.
- Thomas Adams, of Upper Ogle Street, W., Chairman and Managing Director of Ray and Company, Ltd., Mineral Water Manufacturers.
- Minet, Pering, Smith and Co., of 81, Cannon Street, E.C., Solicitors.
- Sir Somers Vine, C.M.G., and John Lowles, M.P.

I have, &c.,

JOHN LOWLES.

No. 8.

COLONIAL OFFICE to JOHN LOWLES, Esq., M.P.

SIR, Downing Street, August 20, 1897.

I AM directed by the Secretary of State for the Colonies to acknowledge the receipt of your letter of the 14th inst.* respecting the British New Guinea Syndicate.

Mr. Chamberlain has forwarded copies of all the correspondence to Lord Lamington for communication to his Ministers and to Sir Wm. McGregor, who will therefore be prepared for the arrival of the agent of the Syndicate.

I am, &c.,
C. P. LUCAS.

No. 9.

MR. CHAMBERLAIN to GOVERNOR LORD LAMINGTON (QUEENSLAND).

MY LORD, Downing Street, August 20, 1897.

I HAVE the honour to transmit to you for communication to your Ministers and to the Lieutenant-Governor of British New Guinea the accompanying correspondence§ respecting a Syndicate formed for conducting trading, planting and other operations in British New Guinea.

You will observe that the various corporations mentioned in Mr. Lowles's letter of 14th inst.,* as interested in the Syndicate, are "financing" or "promoting" companies.

I have, &c.,
J. CHAMBERLAIN.

No. 10.

COLONIAL OFFICE to SIR HUGH NELSON.

SIR, Downing Street, August 24, 1897.

WITH reference to previous correspondence respecting the British New Guinea Syndicate, I am directed by Mr. Secretary Chamberlain to transmit for your information copies of further correspondence† with Mr. Lowles, M.P., and also copy of a despatch‡ which has been sent to Lord Lamington on the subject of the proposals of the Syndicate.

I am, &c.,
JOHN BRAMSTON.

No. 11.

MESSRS. MINET, PERING, SMITH, & Co. to COLONIAL OFFICE.

(Received February 19, 1898.)

81, Cannon Street, London, E.C.,
SIR, February 18, 1898.

BRITISH NEW GUINEA SYNDICATE, LTD.

As solicitors to the above, our clients have requested us to advise you that they are in receipt of communications from their agent in Australia notifying the conclusion of a Memorandum of Agreement with the Administrator of British New Guinea and the Government of Queensland, by which a concession for commercial and trading operations in British New Guinea has been granted to the Syndicate, subject to the approval of the Secretary of State for the Colonies.

Our clients understand from their agent that copies of the documents of agreement, &c., have been forwarded to the Secretary of State by His Excellency the Governor of Queensland, with the exception of a copy of the proposed Memorandum of Association for the Company to be eventually formed.

We have the honour to enclose you a copy of the intended Memorandum and Articles of Association‖ and to ask you to kindly note that they are prepared in the general form customary in like cases, and avoid arrangements referred to in your letter of August 9th, 1897,¶ which were willingly withdrawn by our clients.

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* No. 7. † Nos. 5, 6, 7, and 8. ‡ No. 9. § Nos. 1, 2, 3, 4, 6, 7, and 8.
‖ Not printed. ¶ No. 6.

Our clients are informed by their agent that he pointedly discussed the question of the employment of native and other labour with the Administrator and also the Governor and Premier of Queensland. Sir William MacGregor was quite prepared to insert words in the memorandum of agreement to empower the engagement of aboriginal, Pacific, and Indian labour, but excluding Asiatic labour so called. Our clients' agent was quite ready to accept this definition, but in the view of the Premier and also the Governor of Queensland, it was thought impolitic to insert it in the terms of the concession. Sir William MacGregor undertook to have an ordinance passed defining the right, as above, subject to regulations of control to be issued by the Government. You will, perhaps, agree that those words should be added to the sentence in clause 3, sub-section (b) in the memorandum of association, which reads as follows:—"To employ native and other labour."

Sir William MacGregor also expressed to our clients' agent the hope that the Syndicate would arrange to take up the first block of lands to be made available by midsummer next, and promised that he would facilitate such a procedure by securing the passing of the necessary ordinance immediately on receipt of the Secretary of State's approval to the memorandum of agreement and telegraphing its completion through the Governor of Queensland. In this connection we are to state that it would be of considerable advantage to our clients in effecting arrangements to meet this suggestion by the Lieutenant-Governor, if you would be good enough to acquaint them when the Secretary of State's approval has been accorded simultaneously with its dispatch to the Administrator.

We have, &c.,
MINET, PERING, SMITH, & Co.

No. 12.

MESSRS. MINET, PERING, SMITH, & Co., to COLONIAL OFFICE.

(Received February 21, 1898.)

81, Cannon Street, London, E.C.,
February 18, 1898.

SIR,

REFERRING to our letter to the Secretary of State of the 18th inst.* our clients, the British New Guinea Syndicate, Ltd., have now had the opportunity of personally discussing with Sir Somers Vine the terms arranged with the Government of Queensland and the Administrator of British New Guinea, and we are to inform you that the stipulation previously suggested for the nomination of a director or directors both by the Government of Queensland and the Administrator on the Board of the proposed British New Guinea Company, Ltd., was waived, with the concurrence of all parties, and that, therefore, the paragraphs in the draft articles of association sent to you on the 18th inst. must be treated as modified to this extent.

We have, &c.,
MINET, PERING, SMITH, & Co.

No. 13.

MESSRS. MINET, PERING, SMITH, & Co. to COLONIAL OFFICE.

(Received March 10, 1898.)

81, Cannon Street, London, E.C.
March 9, 1898.

SIR,

BRITISH NEW GUINEA SYNDICATE, LTD.

WE have the honour, by request of our clients, as above, to remind you of our letters of the 18th ultimo.†

Our clients are generally agreed that they will accept the concession set out in the signed memorandum of the Administrator of the Colony, and approved by the Government of Queensland as on the whole fairly meeting the conditions upon which they would be prepared to invest their own moneys and to seek the support of others in active efforts to open up and develop the producing, trading and commercial capabilities of the colony. If the wishes expressed by the Administrator to the agent of

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* No. 11. † Nos. 11 and 12.

our clients, and supported by the Premier of Queensland, are to be met—and our clients are anxious to do their part to meet these wishes—it will be necessary to forthwith provide the fund for taking up the lands now available, and such other lands as may be further available, by the month of June next. It will be obvious to you that the proposed company cannot be formed sufficiently early to give effect to these first steps in its proposed work. Our clients therefore desire to personally contribute the further necessary funds to ensure compliance with the circumstances, which are best described by the following extract from the report of their agent:—

"His Excellency the Governor of Queensland having subsequently perused the documents above set out, promised that he would forward them by the next outgoing mail to the Secretary of State for the Colonies for his confirmation.

"Before taking leave of Sir William MacGregor, he mentioned that the first block of Crown Lands (about 30,000 acres, and all 'picked' land) had been mapped out, and was now practically available. He was compelled by a previous conditional promise to hold, for a short time, 5,000 acres of the block at the disposal of some parties who had negotiated to acquire it for rubber growing. He hoped the Syndicate would empower their agent to proceed to the colony and provide for the taking-up of this block on the spot by midsummer next. In the event of the parties above alluded to failing to accede to the terms given them for the 5,000 acres temporarily reserved, the same would be at the option of the Syndicate, in common with the whole of the first available block. Sir William thought another 20,000 acres in the eastern division of the colony might be made available by the end of this year."

A formal meeting of the subscribers to the Syndicate is now being convened for an early date, and we are to ask that you will be so good as to indicate, for the information of our clients, when your formal confirmation of the agreement with the Administrator may be approximately expected.

We have, &c.,
MINET, PERING, SMITH, & Co.

No. 14.

COLONIAL OFFICE to MESSRS. MINET, PERING, SMITH, & Co.

GENTLEMEN, Downing Street, March 12, 1898.

IN reply to your letter of the 9th inst.* respecting the proposals of the British New Guinea Syndicate, I am directed by Mr. Secretary Chamberlain to acquaint you that as he has not yet received any despatch from the Governor of Queensland on the subject he is not in a position to reply to your letters of the 18th ultimo.†

As soon as the promised despatch has been received the subject will receive immediate attention.

I am, &c.,
H. BERTRAM COX.

No. 15.

MESSRS. MINET, PERING, SMITH, & Co., to COLONIAL OFFICE.

(Received March 17, 1898.)

81, Cannon Street, London, E.C.
SIR, March 16, 1898.

WE beg to acknowledge the receipt of your letter of the 12th inst.,‡ and note the contents thereof.

In view of the non-receipt to date by the Secretary of State of the promised despatches by the Governor of Queensland, but which in view of the early action concurred in by the Administrator of British New Guinea and the Premier of Queensland is, at present, inexplicable to our clients, we have the honour, by direction of our clients, to forward herewith copies of the memorandum of agreement§ and the adhesion of the Government of Queensland thereto, for the information of the Secretary of State.

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* No. 13. † Nos. 11 and 12. ‡ No. 14.
§ *See* Enclosure in No. 17.

These documents, initialled and signed in duplicate by the Administrator of the Colony and the Premier of Queensland, are in our custody.

It may be convenient to the Secretary of State to have these documents before him in anticipation of the assumed early receipt of the expected despatches from the Premier of Queensland.

We have, &c.,
MINET, PERING, SMITH, & Co.

No. 16.

MESSRS. MINET, PERING, SMITH, & Co. to COLONIAL OFFICE.

(Received March 29, 1898.)

81, Cannon Street, London, E.C.
March 28, 1898.

SIR,

IN continuance of our letter of the 16th inst., following on yours of the 12th inst.,* we now beg to notify you, for the information of the Secretary of State for the Colonies, of the receipt of the following cabled message from His Excellency the Governor of Queensland, which has been handed to our clients, the subscribers to the British New Guinea Syndicate.

Brisbane,
10-39 p.m., March 25th.

To Somers Vine, London.
New Guinea Syndicate Ordinance passed.

LAMINGTON.

This cablegram has reference to the requirements of clause 1 of the memorandum of agreement executed in duplicate by the Syndicate's agent with the Lieutenant-Governor of British New Guinea, and of which memorandum we transmitted you a copy on the 16th inst.

Our clients are informed by their agent that the despatch of the foregoing cablegram would be in pursuance of an arrangement made by the Lieutenant-Governor of the Colony and the Governor of Queensland with him, and having for its object the hope of early action by the subscribers to meet the request of the Lieutenant-Governor that the already available lands should be taken up prior to His Excellency's departure from the colony.

It will, however, be readily understood that our clients hesitate to take definite steps in the foregoing sense until the Secretary of State's formal approval has been conveyed to them.

We have, &c.,
MINET, PERING, SMITH, & Co.

No. 17.

GOVERNOR LORD LAMINGTON (QUEENSLAND) to MR. CHAMBERLAIN.

(Received April 9, 1898.)

Government House, Brisbane.
March 5, 1898.

SIR,

IN reply to your despatch of the 20th August, 1897,† respecting a Syndicate formed for conducting trading, planting, and other operations in British New Guinea, I have the honour to enclose for your information copies of despatches received from His Excellency the Lieutenant-Governor of British New Guinea, also copy of an ordinance‡ to which my sanction has been given to the introduction in the Legislative Council of the Possession.

I have, &c.,
LAMINGTON.

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* Nos. 14 and 15. † No. 9. ‡ *See* Enclosure in No. 25.

Enclosure 1 in No. 17.

MY LORD, Brisbane, December 31, 1897.

WITH reference to your despatch of 30th September and its enclosures, I have now the honour to forward herewith a copy of the Memorandum of Agreement which as Administrator I have signed with the accredited representatives of the British New Guinea Syndicate, Sir Somers Vine, C.M.G., and John Lowles, Esq., M.P., &c.

Memorandum of Agreement 29/12/97.

2. As the several points of this agreement have been more than once discussed in Your Lordship's presence, and as you have so patiently, at the cost of considerable time, and at some inconvenience, personally examined each article in detail, it is not now necessary that I should deal with the matter so minutely as would otherwise have been the case. But it may be well that I should put on record the principal considerations that have weighed with me as Administrator in coming to the decision at which I, for my part, arrived in respect of the agreement.

3. The undertaking of this Syndicate or Company would be on a scale sufficiently extensive to give a new and strong impetus to several economic industries, and to provide a large amount of employment to the natives of the colony in their own country.

During the first three or four years of the existence of the Queen's Government in British New Guinea the natives were not sufficiently pacified to render it safe or desirable to encourage European settlement on a large scale. For some time the pacified centres were small, officers were untrained, and there was no constabulary force to protect settlers until time was had to collect and organise a sufficient number of the natives of the country for that purpose.

But during the last four or five years many districts have been quiet enough for the settlement of Europeans; the Government has been in a position to offer reasonable protection; liberal land laws have been in force, by which land has been under offer to bona fide settlers at a cheap rate; the engagement of natives as labourers has been facilitated and made easy; yet the amount of settlement effected by Europeans has been disappointingly small. This was perhaps only what was to be expected if it were taken into consideration that New Guinea has the reputation of being a very unhealthy country; that it is next door to Queensland, which is a white man's country, a seller of good land on easy terms, offering a considerable local market, and with the comforts of civilisation within reach. Let it be added to this that the tropical agriculturist has had prominently before him of late years the nearer and more attractive field of Africa.

Thus, in spite of the efforts of the local Government to encourage the development of the country, the results as regards the utilisation of the soil have been disappointing. It has now become very clear that it is highly desirable to favour any reasonable scheme that would present the probability of a more speedy development than has hitherto taken place.

The British New Guinea Syndicate seems to me to present itself opportunely as a new and different means for fostering agricultural and allied industries. Unless some encouragement is given to a company of that sort there is no apparent prospect of any great progress being made for some time in opening up and developing the agricultural resources of the country.

3. The most important clauses of the agreement are the first two. The chief concession to be made by the Crown to the Syndicate is the sale of 250,000 acres of land at the price of two shillings an acre, on deferred payments.

The principal advantage that would accrue to the colony would be from the improvement conditions, under which the Syndicate would have to expend at least two shillings an acre on the land; one-fourth of that sum within the first two years. There is now ready for settlement, and could be prepared for transfer to the Company, some 25,000 acres of land; and within twelve months from now so much land—probably 100,000 acres—could be offered to the Syndicate as would within that time open up employment for many natives from the settled districts, while it would add considerably to the imports and exports of the Colony, and bring it probably near to the point at which it would be self-supporting.

I have by no means lost sight of the fact that the area to be offered to the Syndicate is a large one, and that the Government may require probably three or four years to find that amount of available and suitable land. But the larger the area and the more speedily the land is handed over to the Syndicate, so much the greater will be the utilisation of land now lying unproductive; and in like proportion so much earlier will be the expansion of trade and of the revenue of the country.

Clearly, therefore, the Government should try to find the land at as early dates as might be possible.

This is further desirable to remove obstruction to other intending settlers, to whom any lands offered to and declined by the Syndicate would be open.

4. It will be noticed that the general preferential right of selection to be given to the Syndicate will not interfere with the opening of mission stations or of trading stations.

5. The Syndicate would have an exclusive right to the minerals in or under the land, but they would pay a royalty of 2½ per cent. on the net value of the gold or any metals of the platinum group they might find.

This arrangement would no doubt lead to the thorough examination of the Syndicate's lands for mineral deposits.

6. It is understood by the Syndicate that they would be free to engage local coloured labourers subject only to the laws and regulations regarding that matter in the Colony. It is also foreseen that the supply of local labour might be insufficient for the Syndicate's undertakings, and that it is very probable that at many points a small nucleus of more highly trained coloured labourers might be desirable. Although it is not specifically expressed in the Memorandum of Agreement, the Syndicate would, should the need arise, expect that the Government of British New Guinea would be prepared to pass the necessary legislation, and to take the other steps required, to enable the Syndicate, or those that become its assigns, to obtain labourers from the Solomon or other available Pacific Islands, or from India. But these are matters that the Government would naturally have to deal with in studying the interests of settlers and planters, whether connected with a syndicate or not. They could not, therefore, be looked upon as being in the nature of a concession.

7. I may state that in my opinion this agreement, if entered into definitely and carried out with reasonable care and diligence, will prove of great advantage to the Possession.

May I be allowed to thank your Lordship and Sir Hugh Nelson, on behalf of the Colony, for the really large amount of trouble you have taken over this matter. I feel sure the labour cannot be lost, for if this Syndicate's proposals should fall through, what has been done will facilitate negotiations with others.

I have, &c.,

WM. MACGREGOR,

Lt.-Governor.

His Excellency
The Right Honourable
Lord Lamington, K.C.M.G.,
&c., &c., &c.

(Approved Copy.)

BRITISH NEW GUINEA SYNDICATE.

MEMORANDUM OF AGREEMENT, following Conference with His Excellency the Administrator of British New Guinea, at Government House, Brisbane, on December 27th and December 29th, 1897, and present thereat His Excellency the Governor of Queensland (Lord Lamington) and the Right Honourable Sir Hugh Nelson (Premier of Queensland).

1. The Government shall pass an Ordinance giving the Syndicate the right to take up two hundred and fifty thousand (250,000) acres of Crown Lands not yet appropriated at the price of 2s. per acre gross.

Twenty-five per cent. of the purchase money is to be paid in cash on the Syndicate exercising its right of option in respect to each several block put under offer to it, and seventy-five per cent. to be paid by instalments spread equally over the next subsequent eight years after the Syndicate exercises the right of option of each several block put under offer to it.

2. The Syndicate, its successors, or assigns, shall be and are hereby bound to expend upon the land passing into their possession a sum equivalent to the purchase money of the said lands., viz., two shillings per acre, twenty-five per cent. of which must be spent within two years of the land being acquired and the remainder in the same proportion and within the same period as the instalments of purchase money are payable upon the said blocks.

3. The Government reserves to itself the right to give or sell land for purely mission purposes or for any public purpose, and small areas not exceeding ten acres (and not contiguous to any area offered to or taken up by the Company) for trading or residential purposes.

4. Any pasture land taken up shall be sufficiently fenced, the cost of such fencing to be reckoned as money spent on improvements.

5. The Syndicate is to have the first option of taking any lands made available from time to time by the Government, such option to be exercised within six months from the offer being made to the Syndicate by the Government.

6. If within the period of eight years from the date of the Ordinance the Syndicate fails to take up the lands made available and offered to it by the Government, then the option of the Syndicate shall lapse to the extent of the area proffered and not taken, provided always that the lands made available and proffered by the Government shall be reasonably suitable for the purpose of tropical cultivation or for pasture, or has afforded reasonable indications of comprising or containing mineral deposits of a marketable description.

7. The Syndicate shall be entitled to the full benefit of the products of the lands taken up by it, whether on the soil or below it, but in the event of any gold or metals of the platinum group being found on such lands a royalty of 2½ per cent. on the net value shall be payable to the Government in respect thereof.

8. At the end of eight years from the date of issue of the Ordinance the right of option exercisable by the Syndicate shall altogether lapse, if within that period the maximum area of two hundred and fifty thousand (250,000) acres of land shall have been made available and proffered to the Syndicate, but the right of option shall continue until the said 250,000 acres shall have been made available and proffered to the Syndicate. No claim of law for any shortage shall, however, lie against the Government if it shall be found impossible to complete the whole area, provided that all reasonable effort shall have been made to provide the said area of 250,000 acres.

9. The Syndicate shall have a period of six months from the date of the Ordinance being conveyed to and placed with it, wherein to exercise any or either of its options.

10. The Ordinance conveying the rights shall recite that the primary objects of the Syndicate and its assigns (the larger Company to be formed) are the cultivation and procuration of the rubber plant in its various forms and all other tropical and agricultural produce and the acquisition of mineral and other deposits.

11. The Company to be formed by the Syndicate will include in its Articles of Incorporation the powers set out at foot hereof, and the Ordinance conceding the rights of the Syndicate shall refer to and take note of these powers.

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1 to 10 approved.—Wm. MacGregor, Lt.-Governor, 29/12/97.

No. 11 I consider to be a matter for the Crown Law Officers to deal with.—Wm. MacGregor, 29/12/97.

Agreed.

(Signed) Somers Vine, John Lowles } For and on behalf of the British New Guinea Syndicate.

Enclosure 2 in No. 17.

My Lord, Brisbane, December 31, 1897.

With reference to my despatch of 31st December, I would respectfully suggest that a draft Ordinance should be prepared in the Crown Law Office here to give effect to the Memorandum of Agreement enclosed in the despatch mentioned above.

If this could be done, much time might thereby be gained. If, however, this cannot be effected without expense to the Possession I think the draft had better be deferred until it could be prepared by Mr. Winter.

I have, &c.,
Wm. MacGregor,
Lt.-Governor.

His Excellency
The Right Honourable
Lord Lamington, K.C.M.G.,
&c., &c., &c.

Enclosure 3 in No. 17.

Government House, Brisbane,
February 24, 1898.

SIR,

I HAVE the honour to inform you, in reply to your despatch of the 17th February, 1898, enclosing a Draft Ordinance to give effect to the Agreement between the Government of the Possession and the British New Guinea Syndicate that I hereby give my sanction to such Ordinance.

I have, &c.,
LAMINGTON.

His Excellency
The Lieutenant-Governor,
British New Guinea.

No. 18.

COLONIAL OFFICE to MESSRS. MINET, PERING, SMITH, & Co.

GENTLEMEN,

Downing Street, April 22, 1898.

WITH reference to the letter from this Department of the 12th ultimo,* I am directed by Mr. Secretary Chamberlain to inform you that he has now received from the Governor of Queensland a copy of the provisional agreement between the Administrator of British New Guinea and the British New Guinea Syndicate and the draft of an ordinance intended to give effect to that agreement, and has carefully considered those documents with your letters of the 18th of February and the 16th and 28th ultimo.†

2. The agreement between the Government of British New Guinea and the Syndicate receives Mr. Chamberlain's approval generally, but he considers it necessary that the ordinance to carry out the agreement, of which you have, no doubt, received a copy, should be amended in the following particulars.

3. The Government is not sufficiently protected by the provisions of sec. 5 of the ordinance in regard to the question which may arise as to the suitability of the lands made available for purchase by the Company. It is necessary that provision should be made for the decision of the question of suitability if and whenever it arises by arbitration, and clause 5 of the draft should be amended accordingly.

4. Clause 5 (par. 2) goes beyond the agreement with the Syndicate in extending the sole right of the Company to purchase lands until such time as the Company has purchased the total area of land which the Company is entitled to purchase. The intention, as expressed in the memorandum of agreement, is that the right should survive until such time as suitable lands, amounting in the aggregate to 250,000 acres, shall have been made available for occupation; and the clause must be amended accordingly.

5. The absence of any provisions for the survey of the lands purchased by the Company would give rise to serious difficulty hereafter, and it is necessary that the ordinance should provide that, before a Crown grant is finally issued in respect of any lands in respect of which a provisional grant has been made, such lands must be surveyed at the joint expense of the Government and the grantee, and that the final grant is to be issued for the area comprised within the boundaries set forth in the provisional grant only on the condition that any excess of the area stated in the provisional grant is to be paid for by the grantee, and that any deficiency is to be made up by the Government, either by the grant of other suitable lands or by restoring a proportionate part of the money paid under the provisional grant.

6. The provision for payment of royalty on the net value of gold and other similar metals does not commend itself to Mr. Chamberlain; but he is not prepared to insist on his objection to the provision if a clear and satisfactory understanding can be arrived at with the Company and expressed in the ordinance as to the meaning of net value under the ordinance, and upon the provision of a proper system of ascertaining the net value of metals won, taken or acquired.

7. As regards the words in clause 3, sub-section (6), of the Memorandum of Association of the British New Guinea Company, to which you call special attention in your letter of the 18th of February, I am to say that it appears to be immaterial whether they are inserted or not, as they would be implied in any case.

8. Mr. Chamberlain will await your reply to this letter before communicating with the Governor of Queensland.

I am, &c.,
C. P. LUCAS.

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* No. 14.

† Nos. 11, 12, 15, and 16.

No. 19.

MESSRS. MINET, PERING, SMITH, & Co. to COLONIAL OFFICE.

(Received April 26, 1898.)

81, Cannon Street, London, E.C.
April 25, 1898.

SIR,

WE beg to acknowledge the receipt of your letter of the 22nd inst.,* addressed to us by direction of Mr. Secretary Chamberlain.

(2.) We have lost no time in communicating with those members of the Syndicate who have been intrusted by the subscribers generally with the conduct of its affairs, and after careful consideration given by them to your letter, we have been directed to state as follows:—

(3.) The Syndicate is in entire accord with Mr. Secretary Chamberlain in regard to clause 5 of the Ordinance. It will fully meet the views of our clients if a sub-section to the following purpose is added to the clause:—"In the event of any difference of opinion arising between the Government and the Company as to the suitability of lands made available for the exercise of the option secured to the Company, such difference shall, if need be, be referred to the arbitration of competent persons selected by the Government and the Company respectively."

(4.) The Syndicate is in entire accord with Mr. Secretary Chamberlain in his construction of the memorandum of agreement, as purported to be dealt with by paragraph 2, clause 5, of the Ordinance, and consent to the amendment suggested, so long as it is clearly and unmistakably admitted that no person or persons can be dealt with by the Government or accorded privileges similar to those conveyed to the Company until such time as suitable lands, amounting in the aggregate to 250,000 acres, shall have been made available, and in consequence thereof purchasable by the Company. Our clients understand that the point of Mr. Secretary Chamberlain's comment is that delay might be made by the Company in purchasing suitable lands made available, and thus fetter the Government in after-operations for an indefinite period. That would, of course, be unfair to the Government, but, on the other hand, the Company must be protected against having the aggregate area of lands or considerable portions thereof submitted to it as being suitable and available, and be expected to purchase the same before reasonable time has been allowed for examining into and judging of such suitability. Our clients have in mind the expectation that it is very likely the Company will, in many instances, be the first to discover suitable areas for occupation, in which case it could, and no doubt would, take the initiative in action, as prescribed by paragraph 1, clause 8, of the Ordinance.

(4A.) The Syndicate is in entire accord with the views expressed in paragraph 5 of your letter.

(5.) The Syndicate is of opinion that paragraph 6 of your letter is clearly answered by the enclosed memorandum they have obtained from their accredited agents on the subject.

(6.) The general contents of your letter being dealt with in the foregoing paragraph 3, we are desired to request Mr. Secretary Chamberlain's attention to the following facts and circumstances. A cable message has been received by our clients from the Governor of Queensland, dated 25th March, to the following effect:—"New Guinea Ordinance passed."

Since then the subscribers to the Syndicate have met and further contributed the moneys necessary for all preliminary payments in connection with the suitable lands at this moment available for occupation, as referred to in our letter to your Department of the 28th ult., and, furthermore, considerable progress has been made in the direction of obtaining guaranteed capital for the Company proposed to be formed. If operations have to be suspended until such time as the Secretary of State can communicate with and receive answers from the Government of British New Guinea, the delay will inevitably give rise to serious complication.

By the last inward Australian mail our clients are advised that certain parties in that continent have become acquainted with the nature of the negotiations which have passed, and are moving to seek privileges from the Government of British New Guinea in anticipation of the Secretary of State's approval to the Ordinance given to this Company. Our clients anticipate, and, indeed, are absolutely convinced, that

* No. 18.

they will meet with nothing but straightforward treatment on the part of the Government of the colony and the Secretary of State, but there is the possibility that unexplained delay in the conclusion of the business might afford pretexts in some quarters for discrediting the good faith and intentions of our clients, who are anxious that practical work should be commenced at the earliest possible moment.

We are, therefore, to suggest that the difficulty might be effectually met by the Secretary of State formally notifying his approval of the Ordinance, subject to the details of amendments now agreed (the same to be set out in the form in which they could be added as sub-sections to the Ordinance) being accepted. We would, then, on behalf of our clients, transmit a formal acknowledgment of the notification and full acceptance of the amendments. The adhesion by the Government of British New Guinea thereto would go without question.

(7.) The Syndicate is prepared to lodge with the Government of British New Guinea, at any moment, the preliminary purchase money for the lands already available.

We have, &c.,
MINET, PERING, SMITH, & Co.

Enclosure in No. 19.

(MEMORANDUM.) April 25, 1898.

BRITISH NEW GUINEA SYNDICATE.

THE purport of paragraph 2, clause 16, of the British New Guinea Government Ordinance was very fully discussed with the Administrator, and he fully agreed [to?] illustrations of the application and meaning of nett value propounded in the following sense by Sir Somers Vine:—"Nett value is to be regarded as the world's general marketable value of the particular product—per ounce or per ton—at the time it is shipped from the colony, in accordance with its quality." It is assumed the Company would be required by the Government to supply returns of its exports, under the head of minerals, &c., the Company would declare in detail the quantity and standard of quality of such exports, and the nett royalty would be two and a half per cent. upon the market value of the product then existing, in whatever part of the world it might be consigned to.

MINET, PERING, SMITH, & Co.

No. 20.

MESSRS. MINET, PERING, SMITH, & Co. to COLONIAL OFFICE.

(Received May 3, 1898.)

81, Cannon Street, London, E.C.
May 3, 1898.

SIR,

BRITISH NEW GUINEA COMPANY.

IN continuation of our letter of the 25th ult.,* we are now instructed by our clients to write you in the following circumstances. You have no doubt seen in "The Times" of to-day's date a cable notification from Sydney that an English Syndicate has been granted 250,000 acres in New Guinea. This unquestionably refers to our clients. You will understand the great necessity which exists for completing the financial arrangements relating to this matter, so as to accord with the strongly expressed wishes of the Administrator, and if this is to be done, it is obvious that every day's delay now becomes of importance.

In these circumstances we are to ask you whether an interview with our clients' agent, Sir J. R. Somers Vine, who negotiated the agreement with the Administrator, and with a member of our firm on any legal questions, would be of assistance to the Secretary of State in the matter. Should this be so, we shall be glad if you will kindly inform us what day and hour will best accord with your convenience.

We have, &c.,
MINET, PERING, SMITH, & Co.

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* No. 19.

No. 21.

COLONIAL OFFICE to MESSRS. MINET, PERING, SMITH, & Co.

GENTLEMEN; Downing Street, May 3, 1898.

I AM directed by Mr. Secretary Chamberlain to acknowledge the receipt of your letter of the 25th ult.* accepting the amendments which he considered necessary to be made in the British New Guinea Syndicate Ordinance of 1898.

A sub-section to the effect of that submitted in the 3rd paragraph of your letter will be added to clause 5 of the draft Ordinance; but as the interest of the Government requires that the option granted to the Syndicate should be exercised within a reasonable time it will be desirable also to fix a reasonable limit to the time within which the arbitrators shall be required to report on any case referred to arbitration under the new sub-section.

Mr. Chamberlain considers that "net value" should be more clearly defined in the Ordinance itself, and he apprehends that it will meet your view if it is declared to mean the wholesale market price of any given commodity in the market to which it is consigned, or in the London market, as you prefer.

As the amendments in the draft Ordinance are substantially accepted by the Syndicate, Mr. Chamberlain has transmitted copies of the correspondence to the Governor of Queensland, and has informed him that if the Ordinance is passed by the Legislature of British New Guinea containing the amendments required, he will at once submit it for Her Majesty's approval.

It does not appear necessary to draft the amendments here.

I am, &c.,
H. BERTRAM COX.

No. 22.

MR. CHAMBERLAIN to GOVERNOR LORD LAMINGTON (QUEENSLAND).

MY LORD, Downing Street, May 3, 1898.

I HAVE the honour to acknowledge the receipt of your despatch of the 5th March† transmitting correspondence as to the agreement between the Government of British New Guinea and a Syndicate, together with the draft of an Ordinance to give effect to that agreement.

2. From the enclosed copies of correspondence‡ with the solicitors acting for the Syndicate, you will perceive that the Ordinance required amendments in certain important particulars, and that the Syndicate has accepted the amendments, which should be embodied in the Ordinance or made the subject of an amending Ordinance, as the case may be.

3. The sub-section proposed in the solicitors' letter of the 25th ult.,* though in substance sufficient, appears to require more precision in its language before it is embodied in the law.

4. I have caused the Syndicate's solicitors to be informed that on the understanding that the ordinance is amended as required, I shall be prepared to at once submit it for Her Majesty's approval.

I have, &c.,
J. CHAMBERLAIN.

No. 23.

COLONIAL OFFICE to MESSRS. MINET, PERING, SMITH, & Co.

GENTLEMEN, Downing Street, May 6, 1898.

I AM directed by Mr. Secretary Chamberlain to acknowledge the receipt of your letter of the 3rd inst.‖ respecting the concession of land granted to the British New Guinea Company, and to refer you to the letter¶ from this Department of the same date, which has crossed it.

If, after consideration of that letter, you are still desirous of personal communication with this Department, Mr. Bertram Cox, the Assistant Under Secretary in charge of New Guinea affairs, will be willing to see you any afternoon before three o'clock.

I am, &c.,
FRED. GRAHAM.

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* No. 19. † No. 17. ‡ Nos. 18, 19, and 21. ‖ No. 20. ¶ No. 21.

No. 24.

MESSRS. MINET, PERING, SMITH, & Co. to COLONIAL OFFICE.

(Received May 7, 1898.)

81, Cannon Street, London, E.C.
May 6, 1898.

SIR,

BRITISH NEW GUINEA COMPANY.

WE have to acknowledge receipt of the letter of the Secretary of State of the 3rd inst.* We have had an opportunity of submitting the same to our clients this morning, and of obtaining their instructions thereon. We are now to state that with regard to the 2nd paragraph of such letter, that our clients have no objection to a reasonable limit of time being fixed within which the arbitrators should be required to report.

With regard to the 3rd paragraph, our clients are prepared to accept the definition of nett value as "the wholesale market price of any given commodity in the market to which it is consigned at the time of shipment from the colony, in accordance with its quailty."

Our clients have to-day transmitted, through the Agent-General for the Government of Queensland, but for the account of the Administrator of British New Guinea, the sum of £1,000, being the amount of the first instalment in respect of the first blocks of land already made available for the purpose of the proposed Company.

We have, &c.,
MINET, PERING, SMITH, & Co.

P.S.—Since dictating the foregoing, we have received the letter of the Secretary of State of to-day's date.† We will take an early opportunity of calling with Sir Somers Vine upon Mr. Bertram Cox. M., P., S., & Co.

No. 25.

GOVERNOR LORD LAMINGTON (QUEENSLAND) to MR. CHAMBERLAIN.

(Received May 16, 1898.)

Government House, Brisbane,
April 5, 1898.

SIR,

I HAVE the honour to enclose, for your information, copies of an Ordinance, No. 1, of 1898, "An Ordinance to enable certain Persons to acquire and occupy Crown Lands, not exceeding, in the aggregate, Two Hundred and Fifty Thousand Acres in area, and for other purposes subsidiary thereto."

I have, &c.,
LAMINGTON.

Enclosure in No. 25.

BRITISH NEW GUINEA.

No. 1, of 1898.

AN ORDINANCE (enacted by the Administrator of British New Guinea with the advice and consent of the Legislative Council thereof) to enable certain Persons to acquire and occupy Crown Lands not exceeding in the aggregate Two Hundred and Fifty Thousand Acres in area, and for other purposes subsidiary thereto.

(L. S.) WM. MACGREGOR,
March 21, 1898.

WHEREAS an association of certain corporations and persons has been formed under the name or style of "The British New Guinea Syndicate" for the purpose amongst other things of acquiring and occupying Crown Lands in the Possession of British New Guinea, and the cultivation thereon, and procuring therefrom, of the rubber plant in its various forms, and of all other tropical and agricultural produce, and for the purpose of exploring and opening up such Crown Lands, and for the purpose of discovering, working, and developing mines and mineral deposits Preamble.

* No. 21. † No. 23.

thereon, and of getting and winning gems, metals, minerals, and mineral ores therefrom: And whereas the said British New Guinea Syndicate has duly made application to be permitted to so acquire and occupy, with the objects aforesaid, such Crown Lands not exceeding in the aggregate two hundred and fifty thousand acres in area: And whereas the terms, conditions, and stipulations upon which the said British New Guinea Syndicate should be permitted to so acquire and occupy such Crown Lands have been provisionally agreed to by and between the said British New Guinea Syndicate and the Administrator of British New Guinea by a memorandum of agreement dated at Brisbane, in the Colony of Queensland, on the twenty-ninth day of December, one thousand eight hundred and ninety-seven: And whereas it is desirable that the said British New Guinea Syndicate should be permitted to acquire and occupy Crown Lands in the Possession of British New Guinea, not exceeding in the aggregate two hundred and fifty thousand acres in area, with the objects aforesaid, and that for this purpose effect should be given to the said memorandum of agreement: Be it therefore enacted by the Administrator of British New Guinea, with the advice and consent of the Legislative Council thereof, as follows:—

Short title.

I. This Ordinance may be cited as "*The British New Guinea Syndicate* [or *Company*] *Ordinance of* 1898."

Interpretation.

II. In this Ordinance, unless the context otherwise requires, the following terms shall have the meanings set against them respectively, that is to say:—

The Company.

"The Company"—The association of corporations and persons known as "The British New Guinea Syndicate," their lawful assigns or successors in interest.

Suitable lands.

"Suitable Lands"—Lands of the Possession available for occupation by the Company, and reasonably suited for agricultural or pastoral purposes, or affording reasonable indications of the existence therein of mineral deposits of commercial and marketable value.

Right to acquire lands.

III. Subject to the provisions of this Ordinance, the Company shall be entitled to obtain from Her Majesty an estate in fee-simple in suitable lands not exceeding in the aggregate two hundred and fifty thousand acres in area, and the Administrator in Council may from time to time sell such lands to the Company.

Lands available for purchase.

IV. The Company shall, for the period of six months and no longer after the date of the passing of this Ordinance, have the sole right to purchase under the provisions of this Ordinance the whole of or any suitable lands which have heretofore been declared to be and which still remain available for occupation:

Save as hereinafter provided, when and so often as any suitable lands are declared to be available for occupation, the Company shall, for the period of six months and no longer after the date on which such lands were respectively declared to be so available, have the sole right to purchase the whole or any of such lands under the provisions of this Ordinance until the Company has purchased lands amounting in the aggregate to two hundred and fifty thousand acres in area.

Limitation of right of purchase.

V. If during the period of eight years from the date of the passing of this Ordinance suitable lands amounting in the aggregate to at least two hundred and fifty thousand acres in area have been from time to time available for purchase by the Company under the provisions of this Ordinance, but the Company has not at the expiration of that period purchased the total area of land which the Company is entitled to purchase, then the Company shall no longer have the sole right to purchase any lands then available or thereafter made available for occupation.

Unless suitable lands have not been available.

But if during that period lands amounting in the aggregate to at least two hundred and fifty thousand acres in area have not been from time to time available for such purchase, then the Company shall continue to have the sole right, subject to the provisions of this Ordinance, to purchase any suitable lands then available, or thereafter made available for occupation, until such time as the Company has purchased the total area of land which the Company is entitled to purchase.

Company to have no claim for damages, &c.

VI. Nothing in this Ordinance shall be construed to give or confer upon the Company any right of action for damages or compensation, or as for breach of contract or otherwise howsoever, by reason of any failure or inability to declare any land to be available for occupation under the provisions of this Ordinance, or to declare a sufficient area of land to be so available, or by reason of any default or delay in declaring any land to be so available.

Purchase money.

VII. The price to be paid by the Company as the purchase money for all lands purchased under the provisions of this Ordinance shall be at the rate of two shillings for every acre thereof.

VIII. When and so often as the Company desires to purchase any lands under the provisions of this Ordinance, the Company shall make an application for the purpose to the Government Secretary in such form as the Administrator in Council approves. Company to make application for lands.

The Company shall, with every such application, pay to the Government Secretary a part of the purchase money equal to sixpence for every acre of land comprised in such application. Deposit.

IX. When the Company has made application for any suitable lands, and has paid the part of the purchase money hereinbefore required to be paid with such application, the Company shall be entitled to obtain from the Administrator a provisional grant of such lands in such form as may be directed by the Administrator in Council. Provisional grant to issue.

Every such provisional grant shall be prepared in duplicate, one copy of which shall be recorded by the Registrar-General in the manner in which instruments are directed to be recorded under "*The Real Property Ordinance of* 1889," and the other copy shall be given to the Company on the payment of such fees as would be payable for the issue of a Crown grant.

Upon the issue of such provisional grant, or upon receipt from the Government Secretary of a letter authorising the Company to take possession of any land, the Company shall be entitled forthwith to enter into possession of the lands comprised in such grant or in such letter.

X. The residue of the purchase money of lands granted to the Company shall be paid to the Government Secretary in eight annual instalments, each equal to twopence farthing for every acre of land comprised in a provisional grant or letter as provided in the last preceding section. Residue of purchase money.

XI. During the period of eight years next after the issue of a provisional grant or letter as aforesaid for any lands to the Company, the Company shall be required to expend in *bonâ fide* improvements upon the lands comprised in such grant or letter a sum equal to two shillings for every acre of such land; and the Company shall be required to expend such moneys within the times following, that is to say— Improvements.

During the period of two years next after the issue of the provisional grant or letter aforesaid authorising possession to be taken of such lands, a sum equal to sixpence for every acre of the lands;

During each of the next succeeding six years, a sum equal to threepence for every acre of the lands.

XII. The Administrator in Council may, if he thinks fit at any time so to do, extend for any period not exceeding one year the time hereinbefore limited for the payment of any purchase money or the execution of any improvements under the provisions of this Ordinance. Extension of time.

XIII. The Company shall be required to enclose all lands suitable for pastoral purposes granted to the Company with a good and substantial fence. Such fence shall be erected during the period hereinbefore limited for the execution of improvements, and the moneys expended in erecting the same shall be deemed to be moneys expended upon improvements within the meaning of the last preceding section. Fencing pasture lands.

XIV. When all the conditions and stipulations hereinbefore mentioned have been complied with by the Company with respect to any lands, the Administrator in Council shall, on the surrender of the provisional grant of such lands, order the issue of a Crown grant for the lands. Issue of grant.

No fee shall be charged for the issue of a Crown grant under this section:

XV. If the Company, at the expiration of any period hereinbefore limited for the payment of any purchase money or the execution of any improvements by the Company, or at the expiration of any extended period as by this section provided, has not paid such purchase money or executed such improvements, then the whole or any part of the lands in respect of or upon which such purchase money ought to have been paid, or such improvements ought to have been executed, may forthwith, without re-entry or other proceeding whatsoever, by or on behalf of Her Majesty, be absolutely forfeited. Forfeiture.

XVI. Notwithstanding the provisions of "*The Crown Lands Ordinance of* 1890," or of any Ordinance amending or in substitution for the same, and notwithstanding the provisions of any Ordinance in force for the time being relating to mining, upon the issue of a provisional grant of any lands the Company shall have the sole property in all products of the lands so granted, and especially shall have the sole property in all mines and mineral deposits thereon or therein, and shall, without payment of any fee or other sum of money other than the moneys hereinbefore required to Property in products of the lands: mining.

be paid and expended by the Company and the royalty hereinafter mentioned, be the sole persons entitled to dig for, win, take, and acquire in and from the lands so granted all gems, metals, minerals, and mineral ores:

Royalty on gold, &c., to be paid.

There shall be payable to Her Majesty a royalty of two pounds ten shillings for every one hundred pounds of the net value of all gold and metals of the platinum group won, taken, or acquired by the Company from the lands granted under the provisions of this Ordinance.

Power to let.

XVII. The Company may from time to time let the lands or any part thereof granted to the Company under the provisions of this Ordinance.

During the period of such letting the person to whom the same are let shall, so far as the letting extends, have the same rights, powers, and privileges, and be subject to the same duties, obligations, and penalties, as the Company has and are subject to.

Power to mortgage.

XVIII. To secure the payment of any money borrowed by the Company for the purposes of purchasing, acquiring, or developing the lands or any of them granted to the Company under the provisions of this Ordinance, the Company may from time to time issue debentures or give and execute mortgages or other charges or securities of or over such lands or any part thereof. Such debentures or securities shall be in such form and contain such provisions as the owners think expedient and the Administrator in Council approves.

Power to transfer rights, &c.

XIX. The Company may from time to time assign or transfer to any person all or any the rights, powers, privileges, authorities, and concessions, which the Company has or may exercise under the provisions of this Ordinance; and also all or any right, title, and interest of the Company with respect to or in or over any lands granted under the provisions of this Ordinance. Upon every such assignment or transfer, the assignee or transferree shall, so far as the assignment or transfer extends, have the same rights, powers, and privileges, and shall be subject to the same duties, obligations, and penalties, as the Company has and are subject to:

Proviso where assignment is to a Company.

Provided that no assignment or transfer under the provisions of this Ordinance to any corporation or joint stock company shall be valid unless or until such corporation or joint stock company has been duly registered in some part of Her Majesty's dominions, in accordance with the laws in force therein with respect to companies, nor unless the objects or some of the objects for which such corporation or joint stock company is established are stated in the memorandum of association thereof to be as follows, that is to say:—

Objects of Company to be stated.

(*a*) To purchase lands, rights, privileges, concessions, and titles to land in the Possession of British New Guinea, which have been acquired under the provisions of "*The British New Guinea Syndicate* [or *Company*] *Ordinance of* 1898" by the British New Guinea Syndicate, at and for the sum of pounds; and to deliver to the said Syndicate, in full payment of such purchase, paid-up shares in the capital of this Company, for distribution *pro ratâ* among the members for the time being of the said Syndicate, in accordance with the terms of an agreement dated , one thousand eight hundred and . To apply to the Administrator in Council of the said Possession from time to time for further suitable lands in the said Possession. To negotiate for the purchase of any lands in the possession of natives or others within the said Possession as may, from time to time, be deemed necessary to the purposes of the Company, and, agreeing upon the terms thereof—subject in all such cases to the approval of the said Administrator in Council being first obtained—to purchase, pay for, and take possession of the same.

(*b*) To cultivate, farm, sell, rent, lease, exchange, or parcel out for allotment any portions of the lands of the Company, and to erect farm cottages, homesteads, factories, machinery, and buildings thereupon. To fence in and use any lands of the Company for agricultural or other purposes. To employ native or other labour. To co-operate with native or other inhabitants of New Guinea for the cultivation and growth of rubber, grain, sugar, tobacco, beet, and other like plants or cereals, and to supply seeds or plants for the purpose thereof upon such terms as to profit as may be from time to time arranged.

(*c*) To plan and erect, or aid in the work of erecting, suitable dwellings for workpeople on the lands of the Company. To construct or aid in the construction of roads, canals, drains, or other surface works necessary to the lands and the purposes of the Company, both within and, by agreement, outside the boundaries of such lands. To purchase, construct, or aid in the

construction of, carts, wagons, boats, barges, sailing or other vessels or machinery for the transit and transhipment of materials, live stock, or other freight for use of the Company or others, either by sea or land. To construct, or aid in the construction, of sea or river defences, harbours, and wharfages to and upon any sea or river frontage bordering the lands of the Company, or contiguous thereto.

(*d*) To buy, sell, breed, and keep horses, cattle, sheep, or other animals. To buy and sell timber or any other native product or deposit of the said Possession, and to manufacture the same into articles of commerce ; to buy, import, manufacture, and sell building materials, mining, farming, and other implements, minerals, wagons, and machinery; and to export, sell, trade, or barter therein, and in the produce of the lands of the said Possession.

(*e*) To erect trading establishments, store-houses, and farm buildings upon the lands of the Company; to purchase, manufacture, and trade in stores of all kinds, including coals, seeds, implements, tools, and all such other articles and materials as may be and are usually necessary for domestic, agricultural, or manufacturing purposes.

(*f*) To erect, or aid in the erection and support of, agricultural and industrial schools adjacent to the trading establishments of the Company, and to employ European teachers in connection therewith.

(*g*) To construct, purchase, or rent premises for the purposes of the Company, and to sell, sublet, or exchange such premises or any parts thereof.

(*h*) To mine and develop any drifts or deposits of gold, or other precious metals, lead, tin, copper, antimony, nickel, bismuth, coal, or other minerals or gems; dig and quarry stone, brickearth, clay, or other deposits discovered within the lands of the Company. To erect buildings, machinery, and appliances for mining, and, by agreement, to acquire water-way rights, easements, or other privileges necessary to such purposes, or any of them, outside the boundaries of such lands. To rent or lease mineral properties within the said Possession; to explore, develop, furnish, maintain, and equip such properties with all necessary appliances, and to carry on the business of a mining, reducing, and smelting company.

(*j*) To grant leases or take-notes for mining purposes in or over any of the lands of the Company, either at dead-rents or royalties, or both, as may be agreed upon; to accept paid-up shares or debentures in other companies as consideration for granting such leases or take-notes, and to hold, sell, or otherwise dispose of such debentures or shares as may be deemed expedient.

(*k*) To purchase and erect on the lands of the Company, buildings, machinery, and all necessary appliances for refrigerating meat, and to carry on the business of purveyors of preserved meat, for sale or for exportation.

(*l*) To carry on the business of land and financial agents; to act as brokers or agents, either separately or in conjunction with others, in the promotion and issue of any loan or loans of money which may hereafter be borrowed by the Government of British New Guinea in Great Britain; and to undertake, on commission or otherwise, any other agencies which may be conveniently conducted with the Company's business ; to establish agencies in Great Britain for promoting emigration to the said Possession ; to make advances of money on security, or afford assistance to intending emigrants thereto; and to aid in locating, and, if practicable, in providing work and labour for, immigrants introduced by the Company into the said Possession.

(*m*) To apply for grants of land from the said Administrator in Council by way of subsidy for each statute adult introduced into the said Possession by the Company; to apply for like grants of land for each trading establishment and for each agricultural and industrial school built and opened by the Company; and also to apply for such like grants in consideration of any outlay in roads, works, or erections in the Colony which, in the judgment of the said Administrator in Council, may be deemed permanently advantageous to the trade and growth of the said Possession.

(*n*) To apply, from time to time, for grants or loans of money from any public fund voted by Her Majesty's Parliament in aid of immigration, colonisation, or colonial land improvements.

(*o*) To borrow on debentures or other securities, and take up moneys at interest for the purposes of the Company to the extent of one-fourth of the subscribed

capital of the Company; to pay off the same, and, if necessary, in like manner to re-borrow from time to time as the directors may consider essential to its interests.

Right of Crown to make certain grants preserved.

XX. Nothing in this Ordinance shall be construed to prevent or limit or take away the power of the Administrator in Council from at any time issuing grants in fee-simple—

(*a*) Of any lands for any public purpose;

(*b*) Of any lands to any person in trust for any mission body for religious purposes;

(*c*) Of any lands for trading or residential purposes not exceeding ten acres in area in any grant, and not contiguous to any lands granted to or applied for by the Company.

Passed in Council the twenty-first day of March in the year of Our Lord one thousand eight hundred and ninety-eight.

No. 26.

THE AGENT-GENERAL FOR NEW SOUTH WALES to COLONIAL OFFICE.

(Received May 19, 1898.)

Westminster Chambers, 9, Victoria Street,
Westminster, S.W., May 19, 1898.

SIR,

I HAVE the honour to state that I am to-day in receipt of a telegram from the Honourable the Premier and Colonial Treasurer of New South Wales, informing me that the Administrator of British New Guinea has passed an Ordinance authorising a land transaction of great magnitude, and with powers of choosing land which have aroused very strong public opinion against the proposal.

Copy telegram, 19 May '98.

I enclose a copy of the telegram referred to, and in accordance therewith I beg to ask that you will be good enough to move the Secretary of State to be pleased to prevent allowance of the Ordinance until the matter in question has been maturely considered.

It will be noted that the New South Wales Government have determined to oppose the project most unreservedly, and so probably will the Government of Victoria.

I have, &c.,
DANIEL COOPER.

Enclosure in No. 26.

From the Hon. the PREMIER AND COLONIAL TREASURER, Sydney, to the ACTING AGENT-GENERAL FOR NEW SOUTH WALES, London.

TELEGRAM.

Sydney, May 19, 1898.

THE Administrator of British New Guinea has passed an Ordinance authorising a land transaction of great magnitude, and with powers of choosing land which have aroused very strong public opinion against the proposal. The New South Wales Government have determined to oppose the project most unreservedly, and so probably will the Government of Victoria.

Kindly make such representations to the Colonial Office as will prevent allowance of the Ordinance until the matter has been maturely considered.

PREMIER AND COLONIAL TREASURER.

No. 27.

ACTING-GOVERNOR SIR S. W. GRIFFITH (QUEENSLAND) to MR. CHAMBERLAIN.

(Received May 20, 1898.)

TELEGRAM.

WITH reference to British New Guinea Ordinance enclosed in despatch 5th April* my Government request me to inform you as far as can be ascertained Government of New South Wales and Government of Victoria were not consulted with respect to terms

* No. 25.

of contract with Syndicate prior to Governor of Queensland giving directions for introduction ordinance by Lieutenant-Governor of British New Guinea as required (by) provision of clause 20 British New Guinea amended proposals. Government of New South Wales, Government of Victoria now remonstrate strongly with Nelson, who was then Prime Minister, now absent from Colony. My Government request that question of exercise of power of disallowance may be reserved until there is opportunity for all three Governments express opinion on Ordinance for consideration of Her Majesty's Government.

No. 28.

ACTING-GOVERNOR SIR S. W. GRIFFITH (QUEENSLAND) to MR. CHAMBERLAIN.

(Received May 20, 1898.)

TELEGRAM.

REFERRING to my telegram of to-day*, having regard to arrangements for future administration, strongly recommend assent to request of my Government; strong feeling growing up bearing on the subject.

No. 29.

THE AGENT-GENERAL FOR QUEENSLAND to COLONIAL OFFICE.

(Received May 21, 1898.)

1, Victoria Street, London, S.W.
May 20, 1898.

SIR,

I HAVE the honour to inform you that I have received the following telegram from my Government:—

"Consider it better to advise that public opinion excited by concessions made to New Guinea Syndicate. It does not appear from documents dealing with subject that Government of Victoria consulted in accordance with Clause 20 Amended Proposals Administration New Guinea. Sir Hugh Nelson, who may throw light on this phase of subject, out of the Colony. As Government referred to threaten to oppose completion of transaction, I have asked Deputy Governor to communicate with Secretary of State for the Colonies by telegraph, requesting that consent of Her Majesty be withheld in the meantime."

I shall be glad to be informed, as soon as possible, the position of this matter.

I have, &c.,
HORACE TOZER,
Agent-General.

No. 30.

MR. CHAMBERLAIN to ACTING-GOVERNOR SIR S. W. GRIFFITH (QUEENSLAND).

(Sent May 24, 1898.)

TELEGRAM.

YOUR telegram of 20th May.* On receipt of Governor's despatch, 5th March,† agreement and draft Ordinance prepared with approval of Queensland Government were carefully considered. Draft Ordinance did not appear to sufficiently protect Government of possession, and I intimated to Syndicate that I should require modifications. These were accepted by them, and on 3rd May I intimated that on receipt of Ordinance giving effect to amendments, I would at once submit to Her Majesty for approval. See my despatch 3rd May.‡ I do not see that your Ministers can now oppose allowance of Ordinance without breach of faith, and I presume Nelson and MacGregor fully informed Premiers Victoria and New South Wales at Melbourne conference as to agreement, which was matter of notoriety, and was, I am informed, freely discussed by Agents of Syndicate with prominent public men and Ministers at Sydney and Melbourne. You should communicate all information concerning matter and this telegram to Governor New South Wales and Governor Victoria.

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* No. 27. † No. 17. ‡ No. 22.

No. 31.

THE AGENT-GENERAL FOR VICTORIA to COLONIAL OFFICE.

(Received May 25, 1898.)

Victoria Office, 15, Victoria Street, Westminster, S.W.
May 25, 1898.

SIR,

I HAVE the honour to inform you that I have received from my Government the telegraphic despatch of which a copy is enclosed, with reference to an Ordinance passed in British New Guinea, enabling a Syndicate to acquire a large quantity of land in that Colony.

The matter is one to which, as you will perceive, my Government attaches great importance, and in accordance with the instructions conveyed in the telegram referred to, I have to request that you will move the Secretary of State to take steps to prevent the Ordinance being assented to, pending a full and careful consideration of the subject by my Government.

I have, &c.,
AND. CLARKE.

Enclosure in No. 31.

(Telegram received on May 24, 1898.)

Melbourne, May 23, 1898.

ASK Secretary of State for the Colonies advise Queen withhold assent for the present to British New Guinea Ordinance, Number One of 1898, enabling Syndicate acquire 250,000 acres land. We were *not consulted as required under Clause Number* 20 of amended proposals for the *administration of possession, and as matter very im*portant, desire opportunity carefully consider measure.

No. 32.

COLONIAL OFFICE to THE AGENT-GENERAL FOR NEW SOUTH WALES.

Downing Street, May 25, 1898.

SIR,

IN reply to your letter of the 19th inst.*, enclosing copy of a telegram from the Premier of New South Wales respecting the agreement made by the Government of Queensland and the Lieutenant-Governor of British New Guinea with the British New Guinea Syndicate, I am directed by Mr. Secretary Chamberlain to acquaint you that he would be glad to be informed what are the specific grounds upon which the Government of New South Wales objects to the agreement in question.

It was concluded in December last by the Lieutenant-Governor with the full cognizance and approval of the Queensland Government, and the whole question of the administration of the Possession was subsequently discussed at the Conference of Premiers at Melbourne with Sir Wm. MacGregor in January last, without any exception being taken to the agreement, which had then already become a matter of common knowledge.

In these circumstances Mr. Chamberlain fears that any attempt to reconsider the matter at this late date may give rise to serious complications, and he would suggest that the Government of New South Wales should place themselves at once in communication with the Government of Queensland on the subject.

I am, &c.,
H. BERTRAM COX.

No. 33.

COLONIAL OFFICE to THE AGENT-GENERAL FOR QUEENSLAND.

Downing Street, May 25, 1898.

SIR,

IN reply to your letter of the 20th inst.,† respecting the agreement entered into with the British New Guinea Syndicate by the Lieutenant-Governor of British New Guinea, with the cognizance and approval of the Government of Queensland, I am directed by Mr. Secretary Chamberlain to transmit for your information copy of a telegram‡ which he has sent to the Deputy Governor of Queensland on the subject.

I am, &c.,
H. BERTRAM COX.

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* No. 26. † No. 29. ‡ No. 30.

No. 34.

THE AGENT-GENERAL FOR NEW SOUTH WALES to COLONIAL OFFICE.

(Received May 28, 1898.)

Westminster Chambers, 9, Victoria Street,
Westminster, S.W., May 27, 1898.

SIR,

I HAVE the honour to acknowledge receipt of Mr. H. Bertram Cox's letter of the 25th instant,* respecting the agreement made by the Government of Queensland and the Lieutenant-Governor of British New Guinea with the British New Guinea Syndicate.

I telegraphed to the New South Wales Government on the 25th instant the purport of the letter under acknowledgment.

I have, &c.,
DANIEL COOPER.

No. 35.

COLONIAL OFFICE to THE AGENT-GENERAL FOR VICTORIA.

SIR,

Downing Street, May 31, 1898.

I AM directed by Mr. Secretary Chamberlain to acknowledge the receipt of your letter of the 25th inst.,† respecting the British New Guinea Syndicate.

I am to transmit to you a copy of a communication* from this Department to the Acting Agent-General for New South Wales in reply to a similar letter, and to suggest that your Government should place themselves in communication with the Government of Queensland on the subject.

I am, &c.,
H. BERTRAM COX.

No. 36.

MESSRS. MINET, PERING, SMITH, & Co. to COLONIAL OFFICE.

(Received June 1, 1898.)

81, Cannon Street, London, E.C.
May 31, 1898.

SIR,

BRITISH NEW GUINEA COMPANY.

BY yesterday's mail Mr. Lowles, M.P., received a letter from Mr. Henry S. Dutton, who has for some little time filled the office of Secretary to the Premier of Queensland, dated from the Chief Secretary's Office, Brisbane, 22nd of April of the present year. The letter is for the most part of a private nature, dealing with personal matters, but contains paragraphs relating to the New Guinea Concession, of which we are enabled to send you a verbatim extract. This shews that the Ordinance was passed after the most careful consideration on the part of all concerned, and with the full knowledge of the Law Officers of the Colony of Queensland.

With reference to the question proposed to be put to the House of Commons by Mr. Hogan on the 6th prox., it may be of advantage to the Secretary of State to know that the Board of the Syndicate have not thought it necessary to communicate to the general body of subscribers the nature of the action stated in the public Press to have been taken by two or three of the contributing colonies, but are actively proceeding, as stated to you at our personal interview, with the formation of a larger company.

We have, &c.,
MINET, PERING, SMITH, & Co.

Enclosure in No. 36.

EXTRACT from letter received from the Private Secretary to the Premier of Queensland.

Chief Secretary's Office, Brisbane,
April 22, 1898.

"The delay which you speak of as having occurred in connection with the British New Guinea Syndicate matter was, to a great extent, unavoidable. After your departure the question of the preparation of the necessary Ordinance to give effect to your

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* No. 32.

† No. 31.

proposals arose, and, as our Crown Law Officers after a fortnight's consideration did not appear willing to undertake the expense of drafting the measure, it was at first thought that it would be necessary to await Sir William MacGregor's return to New Guinea before the work could be performed.

"However, after full consideration, it was decided to entrust the work to a local barrister, and to charge the cost to the Accumulated Revenue Fund. This was done, and the draft Ordinance was handed to Sir William, and sent by him to the Governor on the 17th of February. Then discussion took place as to whether it was not necessary to submit the draft to the contributing Colonies and to the Imperial Government before it was passed, and this point having been finally solved in the negative, the Premier, on the 24th of February, advised the Governor to consent to the introduction of the ordinance in the Legislative Council of the Possession. On the 4th March a copy of the draft was sent by Lord Lamington to the Secretary of State, as you have been advised by cable.

"If some delay occurred in the preliminary stages of the business you will have found no ground for complaint in this respect so far as the subsequent proceedings were concerned. On 21st March the Ordinance was passed at a specially convened meeting of the Legislative Council of British New Guinea held at Daru. It was received here on 8th April, and Sir Somers Vine was at once advised by cable. The Ordinance was sent home by last mail, and should consequently reach London in a month hence, but, as it is identical with the draft measure which should have reached the Colonial Office about a fortnight ago, you will doubtless not have been compelled to await its receipt before proceeding with the formation of the company.

You will doubtless have heard of all the recent political changes here. Sir Hugh, who is now President of the Legislative Council, left with the Governor on Saturday last on a visit to New Guinea.

HENRY S. DUTTON.

No. 37.

THE AGENT-GENERAL FOR NEW SOUTH WALES to COLONIAL OFFICE.

(Received June 2, 1898.)

Westminster Chambers, 9, Victoria Street,
SIR, Westminster, S.W., June 1, 1898.

IN continuation of my letter of the 27th ultimo,* in which I informed you that I had telegraphed to the New South Wales Government the purport of Mr. H. Bertram Cox's letter of the 25th idem.,† asking to be informed what are the specific grounds upon which they object to the agreement made by the Government of Queensland and the Lieutenant-Governor of British New Guinea, with the British New Guinea Syndicate, I have now the honour to enclose herein a copy of the telegraphic reply of the Honourable the Premier and Colonial Treasurer, Sydney, stating that the agreement in question was not considered at the Conference of Premiers at Melbourne, nor did the Premiers know anything of it. My Government also state that some of the provisions of the agreement are so extraordinary that they have excited strong indignation. Further, that the terms of law as per amended agreement schedules to the Queensland Act requiring consultation with the New South Wales Government have not been complied with.

Premier of New South Wales to Acting Agent-General, May 30, 1898.

In view of these objections, I beg again respectfully to ask that the Secretary of State for the Colonies will be pleased to prevent allowance of the New Guinea Ordinance on the subject until the question has been maturely considered.

I forward herein copy of the telegram which I addressed to my Government on the 25th ultimo.

Acting Agent-General to Premier of New South Wales, May 25.

I have, &c.,
DANIEL COOPER.

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* No. 34. † No. 32.

Enclosure in No. 37.

TELEGRAM.

From the Hon. the PREMIER AND COLONIAL TREASURER, Sydney, to the ACTING AGENT-GENERAL FOR THE COLONY, London.

Sydney, May 30, 1898.

YOUR telegram of 25th May.

Agreement was not considered at Conference, nor did Premiers know anything of it. Some of provisions are so extraordinary that they have excited strong indignation; besides terms of law as per amended agreement schedules to Queensland Act requiring consultation with us have not been complied with.

PREMIER AND COLONIAL TREASURER.

Enclosure 2 in No. 37.

TELEGRAM.

From the ACTING AGENT-GENERAL FOR NEW SOUTH WALES, London, to the Hon. the PREMIER AND COLONIAL TREASURER, Sydney.

London, May 25, 1898.

REFERRING to your telegram of 19th instant, Colonial Office asks what are specific grounds upon which your Government object to agreement. Says Administration of New Guinea was discussed at Conference Premiers Melbourne in February last, without exception being taken to agreement, which had then become common knowledge.

Secretary of State for the Colonies fears any attempt to reconsider the question at this late date might lead to serious complications, and suggests your Government please communicate with Government Queensland at once on the subject.

No. 38.

THE AGENT-GENERAL FOR VICTORIA to COLONIAL OFFICE.

(Received June 3, 1898.)

Victoria Office, 15, Victoria Street, Westminster, S.W.

SIR, June 3, 1898.

WITH reference to your letter of the 31st ult.,* relating to the New Guinea Ordinance enabling a Syndicate to acquire certain land in that Colony, I have the honour to inform you that, having communicated its terms by telegraph to my Government, I have received a message in reply stating that the Syndicate agreement was not discussed by Sir William MacGregor with the Premiers at the meeting held by them in January last.

The message adds that a verbatim report of the proceedings was forwarded to Queensland for transmission to the Secretary of State, to which report I am instructed to refer him. My Government reiterate the desire that time may be given for consideration of the matter.

I have, &c.,
AND. CLARKE.

No. 39.

GOVERNOR LORD LAMINGTON (QUEENSLAND) to MR. CHAMBERLAIN.

(Received June 8, 1898.)

TELEGRAM.

LOWLES has telegraphed that you approved of the amended Ordinance. It has been understood that an opportunity would be given of considering your amendments in your despatch of 3 May,† not yet received. Nelson says that the subject was not brought up at the Conference of Premiers at Melbourne.

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* No. 35. † No. 22.

No. 40.

COLONIAL OFFICE to AGENTS-GENERAL for VICTORIA AND NEW SOUTH WALES.

SIR, Downing Street, June 8, 1898.

I AM directed by Mr. Secretary Chamberlain to acknowledge the receipt of your letter of the 3rd/1st inst.,* respecting the agreement made by the Lieutenant-Governor of British New Guinea and the Government of Queensland with the British New Guinea Syndicate.

In reply I am to state that the matter is one for the Government of Victoria/New South Wales to settle with the Government of Queensland, which is responsible for the agreement.

I am to add that the Government of Queensland has been fully informed of Mr. Chamberlain's views in regard to the agreement, and the Ordinance which has been passed to give effect to it, and Mr. Chamberlain has intimated to the Government of Queensland and the Syndicate that if certain modifications which he has desired in the Ordinance are made, he will be prepared to advise Her Majesty not to disallow it. The matter therefore now rests entirely with the Government of Queensland and the Lieutenant-Governor of New Guinea.

[†I am to add that the verbatim report of the Conference of Premiers at Melbourne in January last to which you refer has, owing no doubt to Lord Lamington's absence in New Guinea, not yet reached this Department.]

I am, &c.,
H. BERTRAM COX.

No. 41.

GOVERNOR VISCOUNT HAMPDEN (NEW SOUTH WALES) to MR. CHAMBERLAIN.

(Received June 11, 1898.)

TELEGRAM.

MINISTERS consider action of Governor of Queensland in not consulting New South Wales and Governor of Victoria, New Guinea Syndicate, violation of law. Strongly object to some of conditions.

No. 42.

MR. CHAMBERLAIN to GOVERNOR LORD LAMINGTON (QUEENSLAND).

(Sent June 13, 1898.)

TELEGRAM.

REFERRING to your telegram of 8th June,‡ matter remains in position set forth in my telegram of 24th May.§ Amendments are in favour of Government, and would not justify repudiation of contract.

No. 43.

MR. CHAMBERLAIN to GOVERNOR VISCOUNT HAMPDEN (NEW SOUTH WALES).

(Sent June 13, 1898.)

TELEGRAM.

REFERRING to your telegram of 11th June,‖ your Ministers do not state specifically objections to New Guinea agreement, and I trust that they may have been removed by amendments required by me in my despatch 3rd May,¶ which I desired Lamington communicate to you and Governor Victoria as soon as possible. Matter appears to be one of ordinary administration and Government of Queensland not strictly bound to consult with other Governments, though in view of magnitude of transaction and important bearing on the subject of future finance and administration, I assumed that as it only reached me 9th April it had been fully considered in Conference Melbourne. Government of Queensland cannot now repudiate without breach of faith, but if after full consideration of my amendments and all the circumstances, three Governments agree in urging strongly further specific amendments not touching essence of agreement, I will endeavour to obtain assent of Syndicate.

Repeat this telegram to Governor Victoria.

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* Nos. 37 and 38. † To Agent-General, Victoria, only. ‡ No. 39. § No. 30.
‖ No. 41. ¶ No. 22.

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on 31 October, 2019

No. 44.

THE NEW GUINEA DEVELOPMENT SYNDICATE, LIMITED, to COLONIAL OFFICE.

(Received June 20, 1898.)

SIR, 35, Castle Street Liverpool, June 18, 1898.

MY Directors observe with some concern that it is proposed to make a very large grant of land in New Guinea.

Such a proposal might, they think, if carried into effect, jeopardise the interests of their Company, and they desire with the utmost deference to place before you their reasons for such an opinion and a brief statement of the objects and policy of the Company.

Stated in the briefest possible manner, the immediate desire of my Directors is to secure, in accordance with the regulations indicated in the official reports of Sir Wm. MacGregor, laid before Parliament, plots of land for the planting and cultivation of various trees and natural products, especially the cocoa-nut tree and the rubber tree; the establishment of different stations on the coast for the collection of copra, rubber, and other products of the Island, the erection of a central trading store at Samarai, and the establishment of a line of ships to trade with New Guinea, the Islands of the Polynesian Archipelago, and the principal ports of Australia. In order to give effect to this policy their Colonial Manager has already engaged in Ceylon several Cingalese, skilled in the cultivation of the cocoa-nut palm, and he is now purchasing in Sydney boats for the conduct of his enterprise in New Guinea, and the material for the store which it is proposed to erect in Samarai.

My Directors have also purchased in this country and are sending out next week a barkantine, now loading at Goole, with a cargo and trading goods for New Guinea.

They gathered from Sir Wm. MacGregor's reports that extensive grants of land were discountenanced by the Government. Should it be otherwise, however, and should the Government consider that the best interest of the Colony would be served by giving enterprising companies a permanent interest in the soil of the new Colony, my Directors trust that the interests of their Company will be safeguarded, or that their claim to equally generous treatment may not be overlooked. In any case, they are assured you will pardon them for bringing the facts contained in this letter under your observation, feeling that in so doing they will receive from any department under your guidance just and equitable treatment.

I venture to enclose a copy of a letter which I addressed in April last to the Governor of British New Guinea.

Mr. Kennedy, the Company's Colonial Manager, has spent seven years in the Colony, during which time he has acquired the mastery of the language used by the natives in the southern portion of the Colony, has established friendly relations with many of the tribes, and has gained a knowledge of the most suitable spots for experimenting, planting, and arboriculture.

My Directors fear that a large grant of land to another company might place their Company at a serious disadvantage, which might jeopardise the capital already invested; and might tend to check the further progress of an enterprise calculated to assist materially in the development of the natural and commercial resources of the Colony.

My Directors are aware that only a few of the considerations which must guide the policy of the Colonial Office can be within their knowledge, but they hope that your interest in our colonial progress will prompt you to consider these representations at your early convenience and favour them with a communication on the subject.

I am, &c.,
JNO. FRANCIS BRAMLEY,
Secretary.

Enclosure in No. 44.

To Sir WM. MACGREGOR, M.D., K.C.M.G., Governor of British New Guinea.

The New Guinea Development Syndicate, Limited,
35, Castle Street, Liverpool.

YOUR EXCELLENCY, April 1, 1898.

I am instructed by my Directors to lay before you brief particulars of the formation, objects, and policy of the above-named Company, to bespeak on its behalf, your favourable consideration, and to intimate to you that Mr. Charles Ernest Kennedy has been appointed its Manager in New Guinea, and is now on his way to Sydney, where he will have two cutters and a whale boat built before taking up a position at Samarai.